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**Objection Date: October 13, 2008**

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

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	:	Chapter 11
In re:	:	
	:	Case Nos. 08-13555 (JMP)
LEHMAN BROTHERS HOLDINGS	:	
INC., et. al.,	:	(Jointly Administered)
	:	
	:	
Debtor.	:	
	:	
	:	

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**LIMITED OBJECTION TO MOTION PURSUANT TO SECTIONS 105(a) AND 366  
OF THE BANKRUPTCY CODE FOR AN ORDER (I) APPROVING DEBTORS'  
PROPOSED FORM OF ADEQUATE ASSURANCE OF PAYMENT; (II) RESOLVING  
OBJECTIONS BY UTILITY COMPANIES; AND (III) PROHIBITING UTILITIES  
FROM ALTERING, REUSING, OR DISCONTINUING SERVICE**

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AT&T Inc., on its own behalf and on behalf of its subsidiaries and affiliates, including but not limited to, AT&T Corp., AT&T Wireless, SouthWestern Bell, Bell South and Cingular (collectively, the "AT&T Companies"), hereby files this limited objection to the Debtors' Motion to (i) approve the Debtors' proposed form of adequate assurance of payment; (ii) resolve any objections by the utility companies; and (iii) prohibit utility companies from altering, refusing, or discontinuing service to, or discriminating against, the Debtors, dated September 29, 2008 (the "Utilities Motion") and in support thereof states as follows:

### **BACKGROUND**

1. Commencing on September 15, 2008, and periodically thereafter, Lehman Brothers Holdings Inc. and certain of its subsidiaries (collectively, the “Debtors”) filed petitions for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”).

2. The AT&T Companies provide various telecommunications services to Lehman Brothers, including land-line and mobile telephone and other data services. These services have been provided pursuant to numerous contracts with Lehman Brothers.

3. On September 29, 2008, the Debtors filed the Utilities Motion. Pursuant to the Utilities Motion, the Debtors propose to provide adequate assurance of payment for post petition utility services as required under Section 366 of the Bankruptcy Code. The proposed adequate assurance consists of a deposit equal to two weeks of utility services, calculated based on the historical average over the prior 12 months. Utility companies that already hold deposits equal to or greater than the two week utility service average would not be entitled to a deposit even if the Debtors are in default and irrespective of any amount owed.

4. In the Utilities Motion, the Debtors attach an exhibit containing a list of utility companies that would be bound by the relief sought. “AT&T” is listed in the exhibit with seven accounts. The Debtors also reserved the right to include additional utility companies when the Debtors identify such companies. The Debtors are asking the Court to bind any newly identified utility company to the proposed adequate assurance (deposit equal to two weeks of utility services) regardless of when such company is added to the list.

5. The AT&T Companies have requested adequate assurance of payment for the accounts that are listed in the Utility Motion.

**OBJECTION**

6. While the AT&T Companies do not object to the proposed adequate assurance for the accounts listed in the Utilities Motion, the AT&T Companies object to the extent additional AT&T Companies or additional accounts are added to the list of utilities contained in Exhibit A to the Motion.

7. This is because there may be outstanding amounts owed to the AT&T Companies for services already provided. Although the AT&T Companies may already hold deposits on these delinquent Debtor accounts, the proposed adequate assurance may be insufficient despite such deposits. Simply put, the AT&T Companies cannot ascertain if the proposed adequate assurance will be sufficient for AT&T Companies that are not yet listed in the exhibit.

8. Accordingly, the AT&T Companies should have the opportunity to request additional adequate assurance for any companies that are added to the list subsequent to the filing of this objection.

**CONCLUSION**

WHEREFORE, for the reasons stated above, the AT&T Companies objects to the relief requested in the Utilities Motion to the extent cited above and respectfully requests that it be denied, and that the Court grant such other and further relief as deemed just and proper.

Dated: October 13, 2008

Respectfully submitted,

/s/ Mark C. Haut

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